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DONALD E. CROSS (1923-1986)

209816
January 9, 2004

Robert D. Rosenberg, Esq.
Slover & Loftus
1224 Seventeenth Street, NW
Washington, D.C. 20036



Re: STB Docket No. AB-842X
Almono LP - Abandonment Exemption -
In Allegheny County, PA.

Dear Mr. Rosenberg:

Allegheny Valley Railroad Company, 25 South Broadway, Scottdale, PA 25683
("AVR") intends to submit an offer of financial assistance to assure continuation of rail
service over the entire line described in the petition for exemption in the above docket in
accordance with the requirements set forth in 49 C.F.R. 1152.27(a). For purpose of an
appropriate offer to acquire the line AVR hereby requests Petitioner Almono LP
("Almono") to promptly provide the following information:

1. Almono's estimate of the minimum purchase price required
to keep the entire line in operation.
2. The most recent reports on the physical condition of the
involved line.
3. Almono's estimate of the net liquidation value of the line
with supporting data reflecting available real estate appraisals,

assessments of the quality and quantity of track material on the line and removal cost estimates (including the cost of transporting removed materials to point of sale or point of storage for relay use).

4. Documentation to show the extent to which Almono has marketable fee title on the rail line right-of-way as contrasted to easements or other interests that would revert to others of the line were not being used for railroad purposes. Such documentation of title is deemed necessary to determine whether and to what extent rail line real estate should be considered for net liquidation value purposes. 49 C.F.R. § 1152.27 (a) (3).
5. Valuation maps for the rail line including any deed indices that appear on the accompanying maps. Such maps are essential to verification as to the quality of land included on the rail line. As such the information requested is deemed included within the meaning of 49 C.F.R. § 1157.27 (a) (3).
6. Any other information deemed relevant to appropriate valuation of the line for purposes of acquisition pursuant to an offer of financial assistance.

On December 23, 2003, AVR commenced operations over the connecting line over which all of the rail traffic handled on the involved line currently moves.¹ The traffic moving to and from the shipper comprises a substantial percentages of the traffic moving over the AVR's leased line and this is of considerable importance to continued

¹ See Allegheny Valley Railroad Company, Lease, Operation and Trackage Rights Exemption – Lines of CSX Transportation, Inc. STB Finance Docket No. 34431 served November 26, 2003.

viability of AVR's operations and to shippers served directly on that line. Because of the vital importance of assuring that railroad traffic can continue to move over the subject line AVR has determined to acquire the line pursuant to an appropriate offer of financial assistance.

AVR is aware that Almono has requested the Board to waive offer of financial assistance procedures to facilitate plans for redevelopment involving the right-of-way and that it has indicated that it will allow private rail service to the involved shippers. However, such private rail service would be subject to cessation on short notice at any time depending upon progression of redevelopment plans.

AVR is committed to work out mutually acceptable arrangements with the involved shipper that will assure that it will continue to receive responsive rail service on terms at least as attractive as those described for purposes of temporary private carriage. Moreover, AVR will be willing to cooperate fully with Almono in progressing any redevelopment plans that would not interfere with continued rail operations over the involved line. In the circumstances AVR feels strongly that a waiver of offer of financial assistance procedures would not be in the best interests of responsive rail service.

AVR looks forward to receiving the requested information.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith G. O'Brien", written over the word "Sincerely,".

Keith G. O'Brien
Attorney for Allegheny Valley Railroad
Company

cc: Mr. Vernon A. Williams, Secretary
Surface Transportation Board